Name of the State/UT	As on 31st March, 1997	As on 31st March, 1996	As on 31st March, 1995
9. Kerala	1579	1471	1264
10. Madhya Pradesh	2883	3256	3372
11. Maharashtra	15721	12170	12120
12. Manipur	4	4	4
13. Meghalaya	2649	2215	1607
14. Nagaland	125	125	125
15. Orissa	3222	3817	4486
16. Punjab	144	145	146
17. Rajasthan	844	830	831
18. Tamilnadu	5215	4977	4818
19. Uttar Pradesh	12623	14807	14356
20. West Bengal	9727	8606	8462
21. A & N Islands	4	4	4
22. Delhi	110232	99591	96235
23. Goa	43	63	69
24. Pondicherry	1	1	1
25. Arunachal Pradesh	1	1	1
Total	193121	177599	173292

Source : Department of Public Enterprises, Ministry of Industry.

Nationalisation of insurance companies

237. SHRI E. BALANANDAN: Will the Minister of FINANCE be pleased to state:

(a) whether availability of long-term funds for the development of infrastructure in the country is the only plus point to open up the insurance sector to foreign and local investors;

(b) whether Government took into account the past records of private sector in insurance sector causing for its nationalisation leading to consumer confidence in insurance business in the country; and

(c) if so, what were the records then which compelled Government to nationalise insurance companies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) to (c) The insurance industry has been nationalised with the objective of ensuring conduct of the business with the utmost economy, in a spirit of trusteeship; to charge premium warranted by strict actuarial consideration; to invest the funds for obtaining maximum yield for the policyholders consistent with safety of the capital; and to render prompt and efficient service to policyholders thereby making insurance widely popular. The Malhotra Committee in January, 1994 recommended the opening up of the insurance sector for a variety of reasons, apart from the need to make available long-term insurance funds for the development of infrastructure projects in the country. These are, better customer service; improvement in variety and price of insurance products; augmentation of insurance penetration on account of vast untapped potential; and the ability of nationalised insurance companies to face competition. After considering all pros

and cons, the Government has decided to open the insurance sector to private Indian companies including joint-ventures. In order to ensure meaningful and healthy competition amongst the players, it is proposed to set up a Statutory regulatory Authority also. It is expected to introduce a legislation in the Winter Session of the Parliament in this regard.

त्रिपुरा सरकार का केन्द्रीय ऋणों को माफ करने का अनुरोध

238. **श्री रामजी लाल:** क्या वित्त मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या त्रिपुरा सरकार ने 31 मार्च, 1998 तक के बकाया सभी केन्द्रीय ऋणों को माफ किए जाने हेतु कोई अनुरोध किया है;

(ख) यदि हां, तो कब और सरकार की इस पर प्रतिक्रिया क्या है;

(ग) क्या कुछ अन्य राज्य सरकारों से भी इसी प्रकार के अनुरोध-पत्र प्राप्त हुए हैं; और

(घ) यदि हां, तो इस संबंध में कब तक अंतिम निर्णय ले लिया जाएगा?

वित्त मंत्री (श्री यशवन्त सिन्हा): (क) जी, हां।

(ख) त्रिपुरा के मुख्यमंत्री द्वारा अपने दिनांक 8 मई, 1998 के पत्र में अनुरोध किया गया था। दसवें वित्त आयोग ने तीन स्कीमों के अंतर्गत राज्य सरकार को ऋण राहत दिए जाने की सिफारिश की थी। इन दो स्कीमों के अंतर्गत त्रिपुरा सरकार को वर्ष 1995—2000 की अवधि के लिए 4.27 करोड़ रुपए की राशि दी जा रही है। कुल ऋण माफी से संबंधित किसी अन्य अनुरोध पर अब 11वें वित्त आयोग द्वारा विचार किया जाएगा।

(ग) जी, हां।

(घ) ग्यारहवां वित्त आयोग, जो कि गठित किया जा चुका है, अपने विचारार्थ विषयों के अंतर्गत इन अनुरोधों पर विचार करेगा।

LIC Zonal office for North-Eastern Region

239. DR. ARUN KUMAR SARMA: Will the Minister of FINANCE be pleased to state:

(a) whether a separate zonal office of the LIC specifically for the North-East Region was created;

(b) if so, the objective, date of creation of that office with present location of functioning; and

(c) the reason for this office functioning from Calcutta defeating its purpose and by when this is likely to be operative from Guwahati?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) No, Sir.

(b) Does not arise.

(c) In the Life Insurance Corporation of India the Branch Offices are complete activity centres for growth, thrust and customer's services and all duties relating to these areas are performed by them. The Divisional Offices and Zonal Offices are essentially meant for supervising the branch operations. There are four Divisional Offices located in Assam and the Zonal Office in Calcutta monitors the functions of all the offices of LIC situated in the States of West Bengal, Bihar, Orissa, Assam and other North Eastern States. Presently, there is no proposal to open a new Zonal Office at Guwahati.

Permission to Companies to buy-back their shares

240. SHRI S. M. KRISHNA: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether Govt. have issued an Ordinance permitting buybacks of shres; if so, the details of the norms laid down by SEBI for such buyback;

(b) what are the circumstances/limitations for such decision; and

(c) whehter BSE Sensex is the real parameter/barometre of Indian economic health; if so, to what extent?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI M. THAMBI DURAI): (a) Yes, Sir. Clause